

Appl. No. 09/775,278  
Response dated December 15, 2005  
Reply to Office Action of August 10, 2005

### **REMARKS**

This is in response to the Office Action dated August 10, 2005. Claims 60-133 are pending in the application. Applicants have cancelled claims 66, 77-93, and 107-123.

#### **Summary of Action**

Claims 77-91 and 107-121 were rejected under 35 U.S.C. 112. Applicants have cancelled these claims.

Claim 66 was rejected based under 35 U.S.C. 101. Applicants have cancelled claim 66.

Claim 60 was objected to as the Examiner was unclear regarding how the claimed method would improve the loss ratio on a book of insurance for an underwriter. Applicants have amended claim 60 address this objection.

Claims 60-63, 67-72, 74, 75, and 105 were rejected under 35 U.S.C. 102(e) as being anticipated by Kern (USPN 6,604,080). This rejection is respectfully traversed.

Claims 64 and 73 were rejected under 35 U.S.C. 103(a) as being obvious over Kern in view of Official Notice. This rejection is respectfully traversed.

Claim 104 was rejected under 35 U.S.C. 103(a) as being obvious over Kern and Official Notice, and in further view of Walker (USPN 6,093,026). This rejection is respectfully traversed.

Claims 65-66 under 35 U.S.C. 103(a) as being obvious over Kern in view of Greco et al (USPN 5,809,478). This rejection is respectfully traversed.

Claims 76-98, 101-103, 106-128, and 131-133 under 35 U.S.C. 103(a) as being obvious over Kern in view of Peterson et al (USPN 5,884,275). This rejection is respectfully traversed.

Claims 99 and 129 were rejected under 35 U.S.C. 103(a) as being obvious over Kern and Peterson, as applied to claims 76 and 106, and in further view of Official Notice, and in further view of Walker (USPN 6,093,026). This rejection is respectfully traversed.

Claims 100 and 130 were rejected under 35 U.S.C. 103(a) as being obvious over Kern and Peterson, as applied to claims 76 and 106, and in view of Greco et al (USPN 5,809,478). This rejection is respectfully traversed.

**Objection to Claim 60**

Claim 60 was objected to as the Examiner was unclear regarding how the claimed method would improve the loss ratio on a book of insurance for an underwriter. Applicants have amended claim 60 address this objection. Amended claim 60 provides:

60. A method of improving the loss ratio on a book of insurance for an underwriter, the book comprising insurance policies for a set of insured entities, the method comprising the steps of:

- a) obtaining a set of policy information for the insured entities upon which binding of each policy was based;
- b) using a computer having a user interface display for inputting data from responses to a set of survey questions, the display including a plurality of spaces for survey data input;
- c) surveying at least a first portion of the set of insured entities, the survey eliciting responses to the set of survey questions in step "b";
- d) on an individual basis, for at least a second portion of the set of entities surveyed, inputting data from the responses received in step "c" into the computer at the spaces provided for in the display in step "b";
- e) attempting to validate the policy information obtained in step "a" by comparing the data inputted during step "d" on an individual basis with at least a portion of the policy information obtained in step "a", and for at least a third portion of the set of entities surveyed, having the computer flag each insured entity that does not meet a set predefined underwriting criteria; and
- f) reporting to the underwriter survey information on at least a fourth portion of the insureds who were flagged in step "e".

Amended claim 60 makes clear that reporting is made to the underwriter of insureds who were flagged in step "e". For the flagged insureds the underwriter can take action which the underwriter considers appropriate, such as determining whether additional premium is warranted, a policy endorsement is necessary, or even possible cancellation. Actions such as these will address the risks flagged by the survey and allow the underwriter to increase its loss ratio for the book.

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**Rejection of Claims 60-63, 67-72, 74, 75, and 105 under 35 U.S.C. 102(e) as being anticipated by Kern (USPN 6,604,080).**

Claims 60-63, 67-72, 74, 75, and 105 were rejected under 35 U.S.C. 102(e) as being anticipated by Kern (USPN 6,604,080). It is respectfully submitted that Kern does not disclose the claimed method of improving the loss ratio on a book of insurance for an underwriter, the book comprising insurance policies for a set of insured entities, the method comprising the steps of:

- a) obtaining a set of policy information for the insured entities upon which binding of each policy was based;
- b) using a computer having a user interface display for inputting data from responses to a set of survey questions, the display including a plurality of spaces for survey data input;
- c) surveying at least a first portion of the set of insured entities, the survey eliciting responses to the set of survey questions in step "b";
- d) on an individual basis, for at least a second portion of the set of entities surveyed, inputting data from the responses received in step "c" into the computer at the spaces provided for in the display in step "b";
- e) attempting to validate the policy information obtained in step "a" by comparing the data inputted during step "d" on an individual basis with at least a portion of the policy information obtained in step "a", and for at least a third portion of the set of entities surveyed, having the computer flag each insured entity that does not meet a set predefined underwriting criteria; and
- f) reporting to the underwriter survey information on at least a fourth portion of the insureds who were flagged in step "e".

As specified in claim 60, the method allows the validating of policy information for insureds which have been bound. Kern (USPN 6,604,080) does not teach or disclose obtaining policy information for insured entities upon which binding of each policy was based and attempting to validate the policy information for the policies which had been bound. Kern does not look at policies which have been bound or attempt to validate policy information. Instead, Kern discloses a workers compensation insurance product which unbundles a standard workers' compensation policy into at least two separate, coordinated policies - - "one policy to insure the workers compensation obligation (Part A of a standard workers' compensation policy), and a second policy, to insure against the employers liability exposure (Part 8 of a standard workers' compensation policy)." (Kern: column 17, lines 6-11). To support the sale of Kern's unbundled insurance product by insurance agents, Kern discloses an "automated system and method of computing rates to be charged for insurance coverage equivalent to that provided by a standard workers' compensation insurance policy including . . . ." (Kern: Abstract). In its SUMMARY OF THE INVENTION, Kern states:

"By means of the computer program, the computer computes one rate for a workers' compensation benefits policy and a second rate for an employers liability policy, the policies being coordinated to provide coherent, uniform coverage such as that provided by a standard workers' compensation policy information input at the keyboard to permit computing one of the rates is automatically used to permit computing the other rate. This information is also automatically used to complete or partially complete predesigned application forms and other documentation printed for the two policies. The computer system also permits printing an illustration comparing the price for a standard workers' compensation policy versus the price for the innovative financial product underlying the present invention. Other documentation is also automatically prepared. (Kern: column 20, lines 30-44).

Kern uses a computer to calculate insurance premium and provide quotes. Kern does not teach or disclose any validating or auditing function which can verify insurance policy information and flagging of bound insureds which fall outside of underwriting guidelines. Accordingly, Kern will not teach or disclose a method for decreasing the loss ratio for an underwriter.

For example, unlike the claimed method there is no mechanism in Kern which allows for

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validating of insured policy information provided by insurance agents upon which the policies were bound. Instead, Kern teaches that the **insurance agent** will submit the policy information upon which the quotes are calculated. (Kern:, column 22, line 63 to column 23, line 3)(“It is assumed that the same agent will be rating these policies time after time. Therefore, once the user has entered data for the ‘Agent,’ ‘Address,’ ‘Phone,’ and I.D. Number’ fields, these entries will default to all subsequent Customer Worksheets until such time that the information is changed. The ‘Consent to Rate’ will default on every new work sheet to 1.00. This rate is a discretionary variable determined by the agent.”).

Based on the above the rejection of claim 60 over Kern should be withdrawn. Because claims 61-63, 67-72, 74, 75, and 105 depend directly or indirectly on claim 60, the rejection of these claims over Kern should also be withdrawn.

#### **Rejection of Claims 64 and 73**

Claims 64 and 73 were rejected under 35 U.S.C. 103(a) as being obvious over Kern in view of Official Notice. This rejection is respectfully traversed.

Applicants adopts the arguments related to distinguishing claim 60 over Kern. Because claims 64 and 73 depend directly or indirectly on claim 60, the rejection of these claims over Kern should also be withdrawn.

#### **Rejection of Claim 104**

Claim 104 was rejected under 35 U.S.C. 103(a) as being obvious over Kern and Official Notice, and in further view of Walker (USPN 6,093,026). This rejection is respectfully traversed.

Applicants adopts the arguments related to distinguishing claim 60 over Kern. Because claim 104 depends on claim 60, the rejection of this claim over Kern should also be withdrawn.

#### **Rejection of Claims 65-66**

Claims 65-66 under 35 U.S.C. 103(a) as being obvious over Kern in view of Greco et al (USPN 5,809,478). This rejection is respectfully traversed.

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Applicants note that Claim 66 has been cancelled. Applicants adopts the arguments related to distinguishing claim 60 over Kern. Because claim 65 depends on claim 60, the rejection of this claim over Kern should also be withdrawn.

**Rejection of Claims 76-98, 101-103, 106-128, and 131-133**

Claims 76-98, 101-103, 106-128, and 131-133 under 35 U.S.C. 103(a) as being obvious over Kern in view of Peterson et al (USPN 5,884,275). This rejection is respectfully traversed.

Applicants note that claims 77-93 and 107-123 have been cancelled. Applicants adopts the arguments related to distinguishing claim 60 over Kern. Because claims 76, 94-98, 101-103, 106, 124-128, and 131-133 depend directly or indirectly on claim 60, the rejection of these claims over Kern should also be withdrawn.

**Rejection of Claims 99 and 129**

Claims 99 and 129 were rejected under 35 U.S.C. 103(a) as being obvious over Kern and Peterson, as applied to claims 76 and 106, and in further view of Official Notice, and in further view of Walker (USPN 6,093,026). This rejection is respectfully traversed.

Applicants adopts the arguments related to distinguishing claim 60 over Kern. Because claims 99 and 129 depend directly or indirectly on claim 60, the rejection of these claims over Kern should also be withdrawn.

**Rejection of Claims 100 and 130**

Claims 100 and 130 were rejected under 35 U.S.C. 103(a) as being obvious over Kern and Peterson, as applied to claims 76 and 106, and in view of Greco et al (USPN 5,809,478). This rejection is respectfully traversed.

Applicants adopts the arguments related to distinguishing claim 60 over Kern. Because claims 100 and 130 depend directly or indirectly on claim 60, the rejection of these claims over Kern should also be withdrawn.

Applicants respectfully request that the Examiner examine all claims of the application. In view of the amendments of the claims and arguments of counsel, applicant requests

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reexamination of the application and a Notice of Allowance.

Should the Examiner feel that a telephone conference would advance the prosecution of this application, she is encouraged to contact the undersigned at the telephone number listed below.

Applicant respectfully petitions the Commissioner for any extension of time necessary to render this paper timely.

Please charge any fees due or credit any overpayment to Deposit Account No. 50-0694.

Respectfully submitted,



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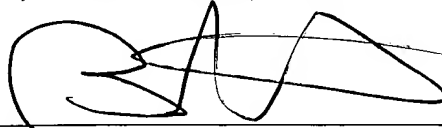
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#### CERTIFICATE OF MAILING

I hereby certify that this correspondence is being deposited with the United States Postal Service as First Class Mail in an envelope addressed to: Mail Stop Amendment, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450, on the 15th day of December, 2005.



Brett A. North